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- 1. All scientific, technical and industrial research carried on in the DDR, with the exception of that done in or on behalf of the SAG's, is administered by the Zentralamt für Forschung und Technik (ZAFT). The office is under the supervision of Prof. Dr. Werner Lange, who in turn is responsible to the State Planning Commission. ZAFT's appropriation from the DDR budget for 1952 is 170 million DN East. Of this amount, less than five million marks has been applied to pure research (Grundlagenforschung). The main part of the allocation is applied to research directly connected with industrial or technical objectives (Zweckforschung), and thus most research is in support of the Five Year Plan.
- Research which comes under the control of ZAFT is from one of the five following sources:

 a) A great proportion of projects stems from current industrial production and/or from current research in scientific institutes.

The impetus for some research is supplied by the study of foreign industrial, technical and scientific literature. Such projects seek to imitate or develop foreign procedures.

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Russian methods are those most often studied.

A Technical-Scientific Council (Technisch-Wissenschaft-licher Rat), affiliated with ZAFT, convenes & mi-annually, in the spring and summer, more often if necessary. The conferences survey the entire range of DDR industry and technology to determine what new research is required. These requirements are later condensed into research orojects. The Council consists of expert members of the ZAFT staff, key DDR industrial personnel and academic research experts.

d) The "Sessions" (Sessionen) of ZAFT bring together Industrial and governmental experts from the DDR, Czech-oslovakia, Poland, Rumania, Bulgaria and Hungary to promote "technical-scientific exchange between the peoples democracies". At the meetings, technical experience is

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exchanged, technical advice from the more highly developed countries or those rich in certain raw materials is given, and special research projects are assigned to Satellite nations having the necessary qualifications in equipment, raw materials and skilled personnel. The technical scientific exchange program also includes an exchange of visits by delegations as well as reciprocal inspections of technical installations. Fritz Selbmann, Minister for Smelting and Ore Mining, and a group which included ZAP? and industrial personnel, visited Polish and Gzechoslovakian coal mines in May and June 1951 in implementing this program. ZAFT's efforts to carry out the program have not been overly successful because of the reluctance of Satellite nations to permit close inspections of their facilities by Germans.

The Polish Covernment is the only one which has given a degree of reciprocity to the program: engineer Alexander Spielsaics of the Polish Ministry for Metallurgical Industry has been assigned to permanent liaison with ZAFT, which he visits regularly. His last appearance was in February 1952. ZAFT is currently working on a research project for Poland, carbonization at low temperature, in return for which Poland will deliver a new type of mining hammer for hard coal.

e) Bussian orders given to ZAFT are highly classified. Their Russian origin is kept secret. Orders are passed by (fnu) Yeminov of the Research and Technical section of the Russian planning service in Karlshorst directly to Dr. Lange. Yerminov is presumably a representative of the Moscow Planning Office. Lange passes the order on to his personnel, being careful to hide the source of the request. Occasionally the security breaks down: in 1951 Lange transmitted an order concerning the production of highly pure inert gases to a colleague. The recipient expressed surprise, since there was no use for inert gases in the required state of purity in the DDR economy. Lange explained that it was a pure research project concerned with the filling of balloons for astro-physical exploration. Fressed by his subordinate, Lange finally admitted that the order had actually come from Terminey. Equipment for the order - columns for the separation of inart gases procured by the liquefaction of air was not available in the DDM.

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- 3. TAFF approves every research project in the DBR except those for the SAG's. Likewise, every project which costs over 10,000 DM East must be financed by ZAFF, with funds made available through the DDR Investment Bank. ZAFF also requires monthly reports on expenditures connected with projects. Every six months a more comprehensive report, noting progress and status of material procurerent, must be forwarded to the office. An annual status report is also required.
- 4. Reminov's office is notified of every research project approved by ZAFT. The monthly, semi-annual and annual reports are transmitted to the Soviet office. ZAFT also sends a detailed report on the results of research after completion of a project. All patent applications resulting from a project are passed by EAFT to Yerminov's office.

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